

IN THE UNITED STATES DISTRICT COURT  
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

UNITED STATES OF AMERICA	:	CRIMINAL NO. 03-647
	:	
v.	:	DATE FILED: 9/26/03
	:	
RAY LYNN BURNS	:	VIOLATIONS:
	:	29 U.S.C. § 501(c) (Embezzlement of funds
	:	of a labor organization – 1 count)

I N F O R M A T I O N

COUNT ONE

THE UNITED STATES ATTORNEY CHARGES THAT:

At all times material to this Information:

1. The Paper, Allied Industrial, Chemical & Energy Workers International Union, AFL-CIO Local 326 (PACE Local 326), was a “labor organization” engaged in activities affecting interstate commerce within the meaning of Title 29, United States Code, Sections 402(i)-(j), had approximately 126 members, and represented employees of the Southern Container Corporation in Lancaster, Pennsylvania, and Sterling Box, in Jonestown Pennsylvania, in the Eastern District of Pennsylvania.

2. PACE Local 326 received income from members in the form of union dues and initiation fees, which were deposited into two bank accounts kept by the Local. One of the bank accounts was used to pay PACE Local 326’s general operating expenses (“general account”) and the other was used to pay arbitration and legal fees incurred by the Local (“defense account”).

3. From in or about August 1998 through in or about July 2000, defendant RAY LYNN BURNS was PACE Local 326’s Financial-Secretary, which is an officer of the union pursuant to its constitution and by-laws. In that capacity, BURNS’ duties included receiving and

depositing monies into PACE Local 326's bank accounts and paying debts and obligations authorized by PACE Local 326. For these purposes, BURNS was authorized to write checks drawn on PACE Local 326's bank accounts.

4. Defendant RAY LYNN BURNS' salary as Financial-Secretary was \$90 per month. Aside from salary, BURNS was not authorized to receive any disbursements and BURNS did not incur any reimburseable expenses.

5. From in or about February 1999 through in or about July 2000, defendant RAY LYNN BURNS embezzled approximately \$29,587 from PACE Local 326 by drawing unauthorized checks on PACE Local 326's bank accounts payable to himself and cashing or depositing those checks in his personal bank account. Defendant BURNS falsified the books and records of PACE Local 326 and filed false reports with the United States Department of Labor that failed to reflect these unauthorized payments.

6. From in or about February 1999 through in or about December 1999, defendant RAY LYNN BURNS wrote himself approximately 19 unauthorized checks from the "defense account" totaling approximately \$11,906.

7. From in or about January 2000 through in or about June 2000, defendant RAY LYNN BURNS wrote himself approximately three checks from the general account totaling approximately \$4,081 and approximately 16 checks from the "defense account" totaling approximately \$13,600.

8. From in or about February 1999 through in or about July 2000, in the Eastern District of Pennsylvania, defendant

RAY LYNN BURNS

while an officer, that is, Financial-Secretary, of PACE Local 326, a labor organization engaged in an industry affecting commerce within the meaning of Title 29 of the United States Code, embezzled, stole, and unlawfully and willfully abstracted and converted to his own use the monies and funds of PACE Local 326 in the amount of approximately \$29,587.

All in violation of Title 29, United States Code, Section 501(c).

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PATRICK L. MEEHAN  
United States Attorney